



FOR CLERK USE ONLY

City Council

Item No. 6

## CITY COUNCIL AGENDA FACT SHEET

Finance  
Department

2-Feb-10  
Requested Date

1. **Request:**

Council Approval

☒

Information Only/  
Presentation

☐

Other (specify)

☐

Hearing

☐

2. **Requested Action:**

Adopt the attached Budget Amendment Resolution No. \_\_\_\_ redistributing the Group Insurance appropriations to Medical Insurance--Active and Medical Insurance--Retirees for Fiscal Year 2009-10.

3. **Fiscal Impact:**

Revenue:

Increase

☐

Source: \_\_\_\_\_

Decrease

☐

Amount: \_\_\_\_\_

Cost:

Increase

☐

Source: \_\_\_\_\_

Decrease

☐

Amount: \_\_\_\_\_

Does Not Apply ☒

4. **Reviewed By:**

Finance Dept. on 1/19/2010

By: Jhashem

Comments: \_\_\_\_\_

City Attorney on \_\_\_\_\_

By: \_\_\_\_\_

Comments: \_\_\_\_\_

*Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.*

CLERK USE ONLY:

CITY COUNCIL DATE:

Action

☐

Filing

☐

Consent

☐

Presentation

☐

Hearing

☐

Other(specify)

☐

Reviewed by: City Clerk \_\_\_\_\_

City Manager \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

# **CITY COUNCIL AGENDA REPORT**

**SUBJECT: Adopt BAR for Medical Insurance**

**AGENDA DATE: February 2, 2010**

**PREPARED BY: Judith Hashem, Finance Director**

**APPROVED FOR AGENDA BY: Victor M. Carrillo, City Manager**

**RECOMMENDATION: City Council is requested to take the following action:**

- 1. Adopt Budget Amendment Resolution No. 10-\_\_\_ redistributing the Group Insurance appropriations to Medical Insurance—Active and Medical Insurance—Retirees for Fiscal Year 2009-10.**

**FISCAL IMPACT: There will not be an increase or decrease in overall budget appropriations.**

**BACKGROUND INFORMATION: The Governmental Accounting Standards Board (GASB) now requires the City to record the OPEB (Other Post Employment Benefits) Liability on the City's financial statements. The benefit for which the City is responsible for reporting under GASB also requires an actuarial valuation be performed every (2) years to determine any change in the long-term liability and the funded status for the report year. GASB applies to retiree health insurance provided by the City. In order to comply with the reporting requirements, the City must account for the retiree health income and expenses separately in our medical fund.**

**In order to do this we have established (2) new budget units, No. 1186 Medical Insurance—Active and No. 1187 Medical Insurance—Retirees. The Budget Amendment Resolution moves the adopted budget from Budget Unit No. 1182 to the (2) new established budget units to present the budget-to-actual comparison.**

**DOCUMENTS ATTACHED:**

- 1. Budget Amendment Resolution**

**Agenda Item No. \_\_\_\_**

**Page \_\_\_\_ Of \_\_\_\_**

**BUDGET AMENDMENT RESOLUTION NO. 09-10 \_\_\_\_****BUDGET AMENDMENT RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF CALEXICO AUTHORIZING AN AMENDMENT  
TO THE FINAL BUDGET FOR FISCAL YEAR 2009-10 FOR  
NON-DEPARTMENTAL DEPARTMENT**

**WHEREAS**, the Final Budget for Fiscal Year 2009-10 was adopted by Resolution No. 09-66A (City) of the City Council and Resolution No. 09-66B (Calexico Redevelopment Agency) of the Redevelopment Agency Board on October 13, 2009; and

**WHEREAS**, the City Council has authorized the amendment of the Final Budget, in accordance with proper governmental accounting and financial reporting practices; and

**NOW THEREFORE**, the City Council of the City of Calexico hereby resolves and authorizes the following action(s):

**AMENDMENTS TO ADOPTED BUDGET:****1) Record Revenue Estimate(s):**

<b>Fund No./ Org. Key</b>	<b>Fund Title Org. Key Title</b>	<b>Object Code</b>	<b>Object Code Title</b>	<b>Amount</b>
601-1182	Medical Insurance-Group Insurance	48002	City Contributions	\$ (2,683,310)
601-1182	Medical Insurance-Group Insurance	48004	Retirees	\$ (40,000)
601-1182	Medical Insurance-Group Insurance	48018	Wellness Allowance	\$ (6,090)
601-1182	Medical Insurance-Group Insurance	48019	Employee Contribution	\$ (132,239)
601-1182	Medical Insurance-Group Insurance	48022	Life Insurance	\$ (21,377)
601-1186	Medical Insurance-Group Insurance	48002	City Contributions	\$ 2,443,310
601-1187	Medical Insurance-Group Insurance	48002	City Contributions	\$ 240,000
601-1187	Medical Ins.-Medical Insurance Retirees	48004	Retirees	\$ 40,000
601-1186	Medical Ins.-Medical Insurance Active	48018	Wellness Allowance	\$ 6,090
601-1186	Medical Ins.-Medical Insurance Active	48019	Employee Contribution	\$ 132,239
601-1186	Medical Ins.-Medical Insurance Active	48022	Life Insurance	\$ 21,377
<b>Total</b>				<b>\$</b>

**2) Record Appropriation(s):**

<b>Fund No./ Org. Key</b>	<b>Fund Title Org. Key Title</b>	<b>Object Code</b>	<b>Object Code Title</b>	<b>Amount</b>
601-1182	Medical Ins.-Group Insurance	53009	Claims	\$ (2,019,016)
601-1182	Medical Ins.-Group Insurance	53021	Contract Services	\$ (8,500)
601-1182	Medical Ins.-Group Insurance	53030	Professional Services	\$ (120,304)
601-1182	Medical Ins.-Group Insurance	53038	Premiums	\$ (323,796)
601-1182	Medical Ins.-Group Insurance	53039	Life Ins.	\$ (21,377)
601-1182	Medical Ins.-Group Insurance	54017	Indirect Cost Allocation	\$ (25,000)
601-1186	Medical Ins.-Med. Ins. Active	53009	Claims	\$ 1,819,016
601-1186	Medical Ins.-Med. Ins. Active	53021	Contract Services	\$ 8,500
601-1186	Medical Ins.-Med. Ins. Active	53030	Professional Services	\$ 120,304
601-1186	Medical Ins.-Med. Ins. Active	53038	Premiums	\$ 323,796
601-1186	Medical Ins.-Med. Ins. Active	53039	Life Ins.	\$ 21,377
601-1186	Medical Ins.-Med. Ins. Active	54017	Indirect Cost Allocation	\$ 25,000
601-1187	Medical Ins.-Med. Ins. Retirees	53009	Claims	\$ 200,000
<b>Total</b>				<b>\$</b>

3) Record Transfer of Funds:

**FROM:**

Fund No./ Org Key	Fund Title Org Key Title	Object Code	Object Code Title	Amount
<i>Total</i>				

**TO:**

Fund No./ Org Key	Fund Title Org Key Title	Object Code	Object Code Title	Amount
<i>Total</i>				

**CAPITAL EXPENDITURE AUTHORIZATION:**

4) Record Specific Capital Item(s) or Project:

Fund/Org Key/Object Code (Complete Account No.)	Quantity	Description	Amount
<i>Total</i>			

5) Purpose of Budget Amendment:

The City must comply with OPEB (Other Post Employment Benefits) for its retiree health benefits which means those revenues and costs must be identified for reporting purposes. Therefore, new budget units have been set up for Medical Insurance Active & Medical Insurance Retirees to separate the activity.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Calexico at the regular meeting this 2nd day of February, 2010.

\_\_\_\_\_  
DAVID OUZAN, Mayor

ATTEST:

\_\_\_\_\_  
LOURDES CORDOVA, City Clerk

APPROVED AS TO FORM;

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JENNIFER M. LYON, City Attorney

STATE OF CALIFORNIA )  
CITY OF CALEXICO ) ss.  
COUNTY OF IMPERIAL )

I, Lourdes Cordova, City Clerk of the City of Calelxico, do hereby certify under the penalty of perjury, that the foregoing Resolution No. 09-\_\_\_\_, was duly adopted by the City Council at a meeting of said City Council held on the 2nd day of February, 2010, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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LOURDES CORDOVA, City Clerk  
City of Calexico

cc: Finance Department